

## DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



August 16, 2006

ALL COUNTY LETTER NO. 06-31

TO: ALL COUNTY WELFARE DIRECTORS  
ALL FOOD STAMP COORDINATORS  
ALL CalWORKs PROGRAM SPECIALISTS

SUBJECT: IMPLEMENTATION OF FOOD STAMP SIMPLIFICATION OPTIONS  
EFFECTIVE, OCTOBER 1, 2006

REFERENCE: FOOD STAMP REAUTHORIZATION ACT OF 2002, (PUBLIC LAW 107-171  
OF May 13, 2002), ALL COUNTY INFORMATION NOTICE I-40-06.

**REASON FOR THIS TRANSMITTAL**

- ☐ State Law Change
- ☒ Federal Law or Regulation Change
- ☐ Court Order or Settlement Agreement
- ☐ Clarification Requested by One or More Counties
- ☐ Initiated by CDSS

The purpose of this letter is to provide County Welfare Departments (CWDs) with initial implementation instructions for the Food Stamp Program (FSP) Simplification options provided in the Farm Security and Rural Investment Act of 2002. All changes discussed below will be effective October 1, 2006 and counties are advised to take necessary actions to implement on October 1, 2006. The changes to program policy are intended to simplify and, in certain circumstances, align the FSP with the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

Changes include: (1) treatment of legally obligated child support payments to non-household members as an income exclusion rather than as an income deduction; (2) exclusion of certain restricted accounts as a resource; (3) exclusion of certain types of income that also are not counted as income or used for eligibility determination purposes in the CalWORKs program; (4) elimination of the household's choice to elect actual utility costs in lieu of a Standard Utility Allowance (SUA); (5) implementation of a Limited Utility Allowance (LUA) for households that do not qualify for the SUA, but incur at least two other utility expenses other than heating and cooling; and, (6) allowance of a Telephone Utility Allowance (TUA) for households not qualified to receive a SUA or LUA. Proposed regulations are attached showing the above changes in FSP policy (enclosed as Attachment A).

**IMPLEMENTATION SCHEDULE**

For new applications: All changes are effective with new applications received on or after October 1, 2006.

For Change Reporting Households: All changes are effective October 1, 2006.

For Quarterly Reporting Households: Changes are treated as county-initiated mid-quarter actions per Manual of Policies and Procedures (MPP) section 63-509(h) and are effective October 1, 2006, with the exception of the restricted accounts. The provision for restricted accounts requires a review of each case with each QR 7 received on or after October 1, 2006 or with each recertification required on or after October 1, 2006.

### **MASS CHANGE NOTICING**

A mass change informing document (enclosed as Attachment B) may be sent to all households in accordance with MPP 63-504.39 prior to the implementation date of October 1, 2006. CWDs have the option of sending individual notices to households or using the mass change informing document to notify households of potential changes to their benefits.

The following sections provide more detail for each regulation/policy change.

### **LEGALLY OBLIGATED CHILD SUPPORT PAYMENT EXCLUSION**

Legally obligated child support payments to a non-household member are now treated as income exclusions rather than deductions per MPP 63-502.2(p). As an exclusion, the amount of legally obligated child support paid is deducted from gross income before applying the gross income test and prior to computing net income.

### **SIMPLIFIED TREATMENT OF RESOURCES**

A resource exclusion is established at MPP 63-501.3(r) for restricted accounts as defined in the Eligibility and Assistance Standards Manual at MPP 89-130. Basically, a household shall be allowed to retain cash reserves totaling up to a maximum of \$5,000 in one or more restricted accounts at a financial institution. The funds are in addition to the existing \$2,000/\$3,000 resource limits currently allowed in the FSP. The funds must be retained for one or more specific purposes to be excluded as a resource: purchase of a home, education or training, and start-up of a small business. Refer to MPP 89-130 for more specifics regarding separate accounts, interest exemptions and withdrawals.

### **SIMPLIFIED TREATMENT OF INCOME**

Certain types of income that are not counted under the CalWORKs Program will be excluded from consideration when food stamp eligibility determinations are made and when computing food stamp benefits. MPP 63-502.2(q) has been added to regulations to provide for exclusions as listed in MPP 44-111; with the exception of sections MPP 44-111.23 (CalWORKs budgeting) and MPP 44-111.43 (student loans and grants), which have not been adopted.

Payments and income exempt from consideration when determining FSP eligibility for benefits include, but are not limited to:

- **Child/Spousal Support Disregard**

The first \$50 per month of current child/spousal support paid to or on behalf of an assistance unit shall be disregarded when determining both eligibility and benefit amount.

- **Job Training Partnership Act (JTPA)**

-Earned income of a child derived from participating in the Job Training Partnership Act (JTPA).

-All payments, other than earnings, to a child which are derived from participation in JTPA programs.

-Payments to an adult which are derived from participation in JTPA programs to the extent the payment reimbursements do not exceed actual expenses.

- **Earned Income of a Child**

All earned income of a child under 19 years old who are elementary or secondary school students at least half time per MPP 63-502.2

- **Independent Living Program (ILP)**

Income and incentive payments earned by a child 16 years of age or older who is participating in the Independent Living Program (ILP) when income is received as part of the ILP written transitional independent living plan. There is no limit to the amount exempted under this subsection.

- **Relocation Assistance Benefit**

A Relocation Assistance Benefit paid by a public agency to a household that has been relocated as a result of redevelopment, urban renewal, freeway construction or any other public development involving demolition or condemnation of existing housing.

- **California Victims of Crimes**

Payments received under the California Victims of Crimes Program.

- **Department of Rehabilitation Training Allowances**

Allowances for training expenses paid to recipients participating in Department of Rehabilitation programs.

- **Scholarship Awarded to a Dependent Child**

Any award or scholarship provided to or on behalf of a dependent child based on the child's academic or extracurricular activity.

- **Contributions from Persons or Organizations**

Contributions from persons or organizations that a donor would not make available for an expenditure unless the contribution is used in accordance with conditions imposed by the donor. For example, an uncle gives \$200 to the household to purchase new tires. The \$200 is not considered income when the receipts for the tire expenditure verify the contributor's intended purpose for the contribution.

### **STANDARD UTILITY ALLOWANCE (SUA)**

The option to allow households the choice of claiming actual utility costs is eliminated. Households qualifying for a SUA by incurring heating and cooling costs will use the SUA with no option to elect actual expenses per MPP 63-502.363. The CWD shall not prorate the SUA, when the household lives with and shares utility expenses with an excluded/ineligible household member or when the household lives with and shares utility expenses with another household. Food stamp eligible households shall receive the full SUA if heating and cooling costs are incurred.

### **LIMITED UTILITY ALLOWANCE (LUA)**

Households that do not qualify for the SUA but incur expenses for at least two separate utilities other than heating and cooling are eligible for a LUA. Allowable utilities outside heating and cooling expenses include telephone, water, sewer, and garbage. The LUA shall not be prorated when the food stamp household lives with an excluded/ineligible household member(s) per MPP 63-502.371.

### **TELEPHONE UTILITY ALLOWANCE (TUA)**

A household that is not eligible for the SUA or LUA but incurs a telephone expense, or in its absence, an equivalent form of communication, is eligible to receive a \$20 telephone deduction. The TUA shall not be prorated when the food stamp household lives with an excluded/ineligible household member(s) per MPP 63-502.371.

### **FORMS**

A general description of forms revisions are described below. A more detailed listing of the following forms modified due to option changes is enclosed as Attachment C. Counties must begin using the modified forms October 1, 2006. They will be accessible on-line at the CDSS

web page noted below within the next few weeks.

**FS 22 QR – “Applying for Food Stamp Benefits”** – This form is revised to include a description of the new requirements for the SUA, LUA and TUA on the top of Page 2, second column. This form is a “master copy” only and is not stocked in the state warehouse.

**DFA 285 A2 – “Statement of Facts”** – This form is revised on page 5 of the County Use Section to include new formatting for the SUA, LUA and TUA. This form comes in “sets” and is stocked in the state warehouse.

**DFA 285B – “Food Stamp “Budget Worksheet”** – The title of this form is changed to “Food Stamp Budget Worksheet/Change Reporting Households” and the “Child Support Deduction” section is deleted. This form comes in “pads” and is stocked in the state warehouse.

**DFA 285 D – “Food Stamp Budget Worksheet”** – This form is revised to delete the “Child Support Deduction” section. This form comes in “pads” and is stocked in the state warehouse.

**DFA 377.5 – “Food Stamp Household Change Report”** – This form is revised to delete language on claiming actual utility costs and is replaced with SUA only language. This form is a “master copy” only and is not stocked in the state warehouse.

**SAWS 2 – “Statement of Facts for Cash Aid, Food Stamps, and Medi-Cal”** – This form is revised to reformat the County Use Section to eliminate reference to actual utility costs and replaces actual utility costs with the SUA, LUA and TUA. **This form will not be revised by October 1, 2006 due to other program changes taking place at the same time FSP changes are also needed. Therefore, until the new revision is released, counties are to note in the County Use Section the utility allowance given to the household: the SUA, LUA or TUA.** This form comes in “sets” and is stocked in the state warehouse.

**SAWS 2A QR – “Rights, Responsibilities, and Other Important Information”** – This form is being revised to replace wording which describes the election of actual utility costs. The language is replaced with a description of the SUA, LUA and TUA (Page 8 of the form). **This form will not be revised by October 1, 2006 due to other program changes taking place at the same time FSP changes are also needed. Therefore, until the new revision is released, counties are to give the flyer found in Attachment D of this document along with the SAWS 2A QR. County Welfare Departments must note in the case file that the flyer was given to the new applicant.** This form comes in “sets” and is stocked in the state warehouse.

**Temp 2225 – “Notice to All Food Stamp Recipients”** – This is the mass change informing document to be sent to all food stamp recipients in accordance with MPP 63-504.39. CWDs have the option of sending this mass change notice in lieu of sending individual Notices of

Action to households impacted by changes discussed in this letter. This form is a “master copy” only and is not stocked in the state warehouse.

**Temp 2227** (See Attachment D) – This is an informing flyer to be used at application when the SAWS 2 and the SAWS 2A QR are used as application documents. The SAWS 2 and SAWS 2A QR will not be revised by October 1, 2006 due to other program changes taking place at the same time FSP changes are also needed. The Temp 2227 must be used until the SAWS 2 and SAWS 2A QR are revised to include new information about the SUA, LUA and TUA. This form is a “master copy” only and is not stocked in the state warehouse.

**QR 3 – “Mid-Quarter Status Report”** – A new section is added at the bottom of the page to include check boxes. Each box indicates the utility the household is paying. This form comes in “pads” and is stocked in the state warehouse.

**QR 285B – “Food Stamp Budget Worksheet (Quarterly Reporting)”** – This form is revised to delete the “Child Support Deduction.” This form is a “master copy” only and is not stocked in the state warehouse.

#### **CAMERA-READY COPIES AND TRANSLATIONS**

For a camera ready copy of English, contact the Forms Management Unit at (916) 657-1907. If your office has internet access, you may obtain these forms from the CDSS web page at: [http://www.dss.cahwnet.gov/cdssweb/FormsandPu\\_271.htm](http://www.dss.cahwnet.gov/cdssweb/FormsandPu_271.htm). When all translations are completed per (MPP) 21-115.2, including Spanish forms, they are posted on an ongoing basis on our web site. Copies of the translated forms and publications can be obtained at: [http://www.dss.cahwnet.gov/cdssweb/FormsandPu\\_274.htm](http://www.dss.cahwnet.gov/cdssweb/FormsandPu_274.htm). For questions on translated materials, please contact Language Services at (916) 651-8876.

If you have any questions regarding this letter, please contact Joyce Brewer, Analyst, Food Stamp Bureau, Policy Implementation Unit, at (916)654-3366 or via e-mail at [Joyce.Brewer@dss.ca.gov](mailto:Joyce.Brewer@dss.ca.gov).

Sincerely,

CHARR LEE METSKER  
Deputy Director  
Welfare to Work Division

Enclosures

Amend Section 63-501.3 to read:

63-501 RESOURCE DETERMINATIONS (Continued)

63-501

.3 Exclusions from Resources (Continued)

- (r) Restricted accounts as defined in the Eligibility and Assistance Standards Manual at MPP Section 89-130. (Continued)

Authority cited: Sections 10553, 10554, 11209, 11265.1, .2, and .3, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11265.1, .2, and .3, 18901, 18901.9, 18904, and 18910, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 272.8(e)(17); 7 CFR 273.2(j)(4); 7 CFR 273.8; 7 CFR 273.8(e)(11), (12)(ii), and (18); 7 CFR 273.8(f) and (h); Federal Register Volume 68, No. 168, Page 51933 published on August 29, 2003; Public Law (P.L.) 100-50, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 101-201; P.L. 101-426, Section 6(h)(2), as specified in United States Department of Agriculture (U.S.D.A.), Food and Nutrition Service (FNS), Administrative Notice (AN) 91-37; P.L. 101-508, Section 11111(b); P.L. 101-624, Section 1715; P.L. 102-237, Section 905, as specified in Federal Administrative Notice 92-12, dated January 9, 1992; Section 2466d., Title 20, United States Code (U.S.C.); 7 U.S.C. 2014(d), (g)(6)(A)(i); 26 U.S.C. 32(j)(5); 42 U.S.C.A. 5122 as amended by P.L. 100-707, Section 105(i); U.S.D.A., FNS, ANs 91-30 and 94-39; Index Policy Memo 90-22, dated July 12, 1990; U.S.D.A., FNS, AN 94-58, dated July 5, 1994; P.L. 104-193, Sections 810 and 827 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); ~~and~~ Food and Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171).

Amend Section 63-502.14, .2, .363 and .38 to read:

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)

63-502

.2 Income Exclusions (Continued)

- (i) The earned income (as defined in Section 63-502.13) of children who are members of the household, who are elementary or secondary school students at least half time, and who have not attained their ~~18<sup>th</sup>~~ 19<sup>th</sup> birthday. Income of a student who attains their ~~18<sup>th</sup>~~ 19<sup>th</sup> birthday during the certification period, shall be excluded until the month following the month in which the student turned ~~18~~ 19. If the student becomes ~~18~~ 19 during an application month, the income is excluded in the month of application and counted in the following month except as specified in Section 63-507(a)(4)(A). The exclusion shall continue to apply during temporary interruptions in school attendance due to semester or vacation breaks, provided the child's enrollment will resume following the break. If the child's earnings or amount of work performed cannot be differentiated from that of other household members, the total earnings shall be prorated equally among the working members and the child's pro rata share shall be excluded. Individuals are considered children for purposes of this provision if they are under the parental control, as defined in Section 63-102(p)(1), of another household member. (Continued)

(p) Child Support payments that a household member pays to or for an individual living outside of the household.

- (1) The child support exclusion is the monthly amount of child support payments that a household member, with a legal obligation to pay child support payments to or for an individual living outside of the household, actually makes.
- (2) The payments shall be verified as specified in Section 63-300.51(j).
- (3) Households that fail or refuse to cooperate by supplying the necessary verifications shall have their eligibility and benefit level determined without a child support exclusion.
- (4) Payments are excluded only to the extent that they represent the household's child support obligation which has been ordered by a court or administrative authority.
- (5) Child support payments made to a third party (e.g., a landlord or utility company) on behalf of the nonhousehold member in accordance with the support order shall be included in the child support exclusion. Payments made by a household with a legal obligation to obtain health insurance for a child shall also be included as part of the child support exclusion.
- (6) Amounts paid toward arrearages shall be excluded.



- (q) All payments excluded or exempt from consideration as income in the Eligibility and Assistance Standards Manual at Section 44-111, with the exception of Sections 44-111.23 and .43.

HANDBOOK BEGINS HERE

- (1) Examples include, but are not limited to, the following:

- (A) Federal and state work study programs.
- (B) Child/Spousal Support Disregard. The First \$50 per month of current child/spousal support paid to or on behalf of an assistance unit shall be disregarded when determining both eligibility and grant amount.
- (C) Job Training Partnership Act (JTPA). All payments to and earnings of a child which are derived from participation in JTPA programs. All payments to an adult which are derived from participation in JTPA programs.
- (D) All earned income of a child under 19 years old is exempt if he/she is a full-time student, or he/she has a school schedule that is equal to at least one-half of a full-time curriculum, and he/she is not employed full time.
- (E) Independent Living Program (ILP). Income and incentive payments earned by a child 16 years of age or older who is participating in the ILP.
- (F) Relocation Assistance Benefit, paid by a public agency to a recipient who has been relocated as a result of a program of area redevelopment, urban renewal, freeway construction or any other public development, involving demolition or condemnation of existing housing.
- (G) Payments received under the California Victims of Crimes Program.
- (H) Allowance for training expenses paid to recipients participating in Department of Rehabilitation training programs.
- (I) Any award or scholarship provided to or on behalf of a dependent child based on the child's academic or extracurricular activity.
- (J) Contribution from persons or organizations that would not be available for expenditure unless used in accord with conditions imposed by the donor. For example, an uncle gives \$200 to the household to purchase new tires. \$200 is exempt when receipts for the intended purpose verify the expenditure.

HANDBOOK ENDS HERE

.3 Income Deductions (Continued)

.36 Excess Shelter Deduction (Continued)

.363 Standard Utility Allowance (SUA)

(a) Entitlement to SUA

- (1) ~~The SUA is mandatory for all~~ ~~may be used in calculating shelter costs of those~~ households which incur heating or cooling costs separate and apart from their rent or mortgage payments. This includes residents of rental housing who are billed on a monthly basis by their landlords for actual usage as determined through individual metering.

(A) (Continued)

- (2) (Continued)

- (3) ~~Food stamp households have the option of choosing either the actual utility costs or the SUA, if they are eligible for SUA. When two or more households are in a shared living situation, the total amount of utility costs used to determine the amount of the deduction for each household shall not exceed the total amount of actual utility costs or SUA for the residence based on the option chosen by the food stamp household, as explained in the first sentence of this section.~~

- (A) ~~A prorated SUA may not be used in conjunction with actual utility expenses, as the combined amount of the deductions may exceed the actual utility cost or SUA for the residence.~~

- (4) ~~If the CWD is unable to accurately determine the pro rata share of utility costs paid by the parties, the actual utility cost paid by the food stamp household shall be used.~~

- (5) ~~Households living in a public housing unit or other rental housing unit which has central utility meters and are charged for only excess utility costs shall not be entitled to claim the SUA. Households not entitled to the SUA may claim actual utility expenses for any utility which they pay separately. However, a household cannot simultaneously claim both the SUA and actual utility expenses. Verification of utility expenses shall be made as specified in Sections 63 300.51(f) and 63 504.341.~~

- (b) ~~A standard telephone allowance of \$20 shall be used only in instances where the household has a telephone, or in its absence, an equivalent form of communication and is not entitled to the SUA. If the household's actual telephone service fee is greater than the standard allowance, and it represents the lowest available rate to the household, the household may request to have the actual service fee used. The household must be able to verify the actual cost claimed. Failure to have a telephone will not preclude use of the full SUA.~~
- (e) ~~Except as provided in Section 63-502.363(b), the household entitled to the SUA shall be advised at initial certification, recertification and when a household moves that it may, instead of using the SUA, deduct its total actual utility costs if the household can verify these costs. Households certified for 24 months may also choose to switch between standard and actual costs at the time of the mandatory interim contact.~~
- (db) ~~The SUA for food stamp households shall be adjusted annually by SCDSS to reflect increases or decreases in the cost-of-living, occurring after June, 1982. The first such adjustment becomes effective January 1, 1983 and subsequent adjustments shall take effect each January 1 through September 30, 1994. The SUA annual adjustments shall take effect each on October 1<sup>st</sup>, beginning October 1, 1994.~~
- (1) ~~The cost-of-living shall be calculated by CDSS based on the weighted average of the Fuel and Other Utilities Index of the Consumer Price Index for All Urban Consumers (CPI-U), when published by the U.S. Department of Labor, Bureau of Labor Statistics for Los Angeles-Long Beach-Riverside-Anaheim and San Francisco-Oakland-San Jose. The weighting factor for each area is as used by the State Department of Industrial Relations to calculate the California Consumer Price Index (CCPI).~~  
(Continued)
- (ec) (Continued)
- (d) A household that is not eligible for the SUA, but incurs expenses for at least two separate types of utilities (other than heating and cooling) is eligible for a Limited Utility Allowance (LUA). Allowable utilities include telephone, water, sewerage, and garbage or trash collection. The LUA will be adjusted annually in accordance with Sections 63-502.363(b) and (b)(2).
- (1) The cost-of-living shall be calculated by CDSS based on the U.S. City Average, using the Water, Sewer, and Trash Utility Index of the CPI-U, when published by the U.S. Department of Labor, Bureau of Labor Statistics.

- (e) A household that is not eligible for either the SUA or LUA, but incurs telephone costs only, is entitled to a telephone allowance of \$20. It shall be used only in instances where the household has a telephone, or in its absence, an equivalent form of communication.
- (f) Verification of utility expenses shall be made as specified in Sections 63-300.51(f) and 63-504.341.

.37 Shared Living Expense Deductions (Continued)

~~.38 Child Support Deduction~~

- ~~.381 The child support deduction is the monthly amount of child support payments that a household member, with a legal obligation to pay child support payments to or for an individual living outside of the household, actually makes.~~
- ~~.382 The payments shall be verified as specified in Section 63-300.51(j).~~
- ~~.383 Households that fail or refuse to cooperate by supplying the necessary verifications shall have their eligibility and benefit level determined without a child support deduction.~~
- ~~.384 Payments are deductible only to the extent that they represent the household's child support obligation which has been ordered by a court or administrative authority.~~
- ~~.385 Child support payments made to a third party (e.g., a landlord or utility company) on behalf of the nonhousehold member in accordance with the support order shall be included in the child support deduction. Payments made by a household with a legal obligation to obtain health insurance for a child shall also be included as part of the child support deduction.~~
- ~~.386 Amounts paid toward arrearages shall be deductible.~~

Authority cited: Sections 10553, 10554, 11209, 18900, 18901 and 18904, Welfare and Institutions Code.

Reference: Sections 10554, 18901, and 18904, Welfare and Institutions Code; Public Law (P.L.) 99-603, Section 201(a), Section 245A(h)(1)(A)(iii), Immigration Reform and Control Act; 100-50, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 100-77; P.L. 101-201; P.L. 101-508, Section 11111(b); P.L. 103-66, Section 5(c), (d) and (e) and Section 8(a); 7 Code of Federal Regulations (CFR) 271.2; 7 CFR 273.1(c)(6); 7 CFR 273.4(a) and (c)(2); 7 CFR 273.7(f); 7 CFR 273.9; 7 CFR 273.9(b)(1), (b)(1)(v), (c), (c)(1)(i)(E), and (c)(1)(ii); (c)(1)(ii)(G), (c)(8), (c)(11)(i) and (ii), (d), (d)(6), ~~(d)(6)(iii)~~, (d)(6)(iii)(F), and proposed (d)(7) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, 7 CFR

273.10(d)(1)(i) and (e)(1)(i)(H); 7 CFR 273.11(b)(1); 7 CFR 273.11(c), (d) and (d)(1) and (e); 7 CFR 273.21(j)(1)(vii)(A); 7 United States Code (U.S.C.) 2014(c), (d), (d)(6), (d)(18)(A), (e), (e)(6)(C)(iii), (k)(1)(B), and (k)(2)(F); 7 U.S.C. 2015(e); 7 U.S.C. 2017(a); 20 U.S.C. 2466d.; 26 U.S.C. 32(j)(5); P.L. 104-193, Sections 807, 808, 809, 811, and 829 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal Feb. 1, 1990) [Dock. No. CV-89-0768].); United States Department of Agriculture (U.S.D.A.) Food and Consumer Services (FCS) Administrative Notice (AN) 88-40, Indexed Policy Memo 88-10, dated April 20, 1988; U.S.D.A., FNS ANs 91-24, 91-30, 94-39, 94-41, dated April 19, 1994; the July 8, 1988 district court order in Hamilton v. Lyng; and Section 4103, Food Stamp Reauthorization Act of 2002, P.L. 170-171 [7USC 2014(d) and (e)]; ~~and~~ U.S.D.A., FNS AN 02-23, dated February 6, 2002; and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171).

Amend Section 63-503.242, .251, .311, .312, .441(a), and .442(c) to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503  
(Continued)

.2 Determining Resources, Income and Deductions (Continued)

.25 (Continued)

(QR) Determining Deductions for Change Reporting and QR/RB Households

Deductible expenses include only certain medical, dependent care, and shelter costs. ~~and child support as specified in Section 63-502.3.~~ Treatment of deductions for households subject to QR/PB are specified in Sections 63-509(a)(3), (a)(3)(A), (a)(3)(B), and (a)(3)(C).

.251 Billed Expenses

Except as specified in Section 63-503.252 for averaged expenses ~~and Section 63-502.37 for the child support deduction~~, a deduction shall be allowed only for the month the expense is billed or otherwise becomes due, regardless of when the household intends to pay the expense. Rent which is due each month shall be included in the household's shelter expenses, even if the household has not yet paid the expense. Amounts carried forward from past billing periods shall not be deducted, even if included with the most recent billing and actually paid by the household. In any event, an allowable expense shall be deducted only once.  
(Continued)

.253 Anticipating/Estimating Expenses (Continued)

(b) (Continued)

Other Expenses

(QR) The CWD shall calculate a change reporting household's expenses based on the expenses the household expects to be billed for ~~or based on the payments expected to be made for the child support deduction~~ during the certification period. Anticipation of the expenses ~~or payments for the child support deduction~~ shall be based on the most recent month's bills ~~or payments for the child support deduction~~, unless the household is reasonably certain a change will occur. ~~When the household is not claiming the standard utility allowance, the CWD may anticipate changes during the certification period based on last year's bills from the same period updated by overall certification period may be based on utility company estimates for the type of dwelling and utilities used by the household. The CWD shall not average past expenses, such as utility bills for the last several months, as a method of anticipating utility costs for the certification period.~~ (Continued)

### .3 Calculating Net Income and Benefit Levels

#### .31 Net Monthly Income (Continued)

##### .311 (Continued)

~~(g) Subtract allowable monthly child support payments as specified in Section 63-502.37.~~

~~(hg)~~ (Continued)

~~(ih)~~ (Continued)

##### .312 (Continued)

~~(h) Subtract the allowable monthly child support payments as specified in Section 63-502.37.~~

~~(ih)~~ (Continued)

~~(ji)~~ (Continued)

### .4 Households with Special Circumstances (Continued)

#### .44 Treatment of Income and Resources of Excluded Members

##### .441 (Continued)

(a) Income, Resources, and Deductible Expenses

The income and resources of the excluded household member(s) shall continue to be counted in their entirety, and the entire household's

allowable earned income, standard, medical, dependent care, ~~child support as specified in Section 63-502.37~~, and excess shelter deductions shall continue to apply to the remaining household members.

.442 (Continued)

(c) Deductible Expenses

- (2) The household's allowable shelter and dependent care, ~~and child support~~ expenses ~~as specified in Section 63-502.37~~ which are paid in their entirety by the excluded member(s) shall be prorated as specified in Section 63-502.36 and only the Food Stamp eligible member'(s) pro rata share shall be counted as a deduction.
- (3) If such excluded member(s) shares allowable shelter, utility and dependent care expenses, ~~and/or child support expenses as specified in Section 63-502.37~~ with the Food Stamp eligible household member(s), deduct the excluded member's contribution from the applicable expense and the net amount is the Food Stamp household's allowable deduction. If the contributed amount cannot be differentiated (e.g., pooled income), the Food Stamp household's deduction amount shall be determined as specified in Section 63-502.36. (Continued)

Authority cited: Sections 10553, 10554, 10604, 11265.1, .2 and .3, 11369, 18901.3, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11265.1, .2, and .3, 18901.3, 18904, and 18910, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 271.2; 7 CFR 272.3(c)(1)(ii); 7 CFR 273.1(b)(2)(iii), (c)(3)(i), (ii) and (e)(1)(i) as published in the Federal Register, Volume 59, No. 110 on June 9, 1994; 7 CFR 273.2(j)(4); 7 CFR 273.4(c)(2), (c)(2)(i), (c)(2)(i)(A), (c)(2)(iv), (c)(2)(v), (c)(3)(v), and (e)(1) and (2); 7 CFR 273.9(b)(1)(ii), (b)(2)(ii), and (d)(6)(iii)(F); 7 CFR 273.10; 7 CFR 273.10(a)(1)(iii)(B); 7 CFR 273.10(c)(2)(iii), (c)(3)(ii), proposed amended 7 CFR 273.10(d) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; (d)(1)(i), (d)(2), (d)(3), (d)(4), and proposed (d)(8) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, and proposed amended 7 CFR 273.10(e)(1)(i)(E-H) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; 7 CFR 273.11(a)(1)(i) through (iii), (a)(2)(i), (b)(1), (b)(1)(i) and (ii), (c), (c)(1), (c)(2), (c)(2)(iii), (c)(3)(ii), (d)(1), and (e)(1); 7 CFR 273.12(a)(1)(i)(A), (a)(1)(i)(B), (a)(1)(i)(C)(2), and (c)(3)(iv); 7 CFR 273.21(f)(2)(ii), (iii), (iv), and (v), (g)(3), (j)(1)(vii)(B), and (S); 7 CFR 273.24(b)(4); (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) \_\_\_\_ F. Supp. \_\_\_\_; Waiver Letter WFS-100:FS-10-6-CA, dated October 2, 1990, U.S.D.A., Food and Consumer



Services; Administrative Notice No. 89-12, No. 92-23, dated February 20, 1992, No. 94-39, and No. 94-65; Public Law (P.L.) 100-435, Section 351, and P.L. 101-624, Section 1717; [7 United States Code (U.S.C.) 2012, 2014~~(d)(6)~~, (e), and 2017(c)(2)(B)]; 7 U.S.C. 2015(d)(1); 8 U.S.C. 1631, P.L. 104-193, Sections 115, 815, 821, 827 and 829 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); Federal Food Stamp Policy Memos 82-9 dated December 8, 1981, and 88-4 dated November 13, 1987, Federal Register, Vol. 66, No. 229, dated November 28, 2001, USDA FNS AN 03-23, dated May 1, 2003; ~~and~~ Food and Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171).

Amend Section 63-504.421(c), .61(i)(4), and .631 (a) and (b) to read:

63-504     HOUSEHOLD CERTIFICATION AND CONTINUING ELIGIBILITY     63-504  
(Continued)

.4

.42 (Continued)

.421 (Continued)

(c) (Continued)

(2)     ~~The CWD shall not verify utility expenses which are unchanged or have changed by \$25 or less.~~

(32) (Continued)

(43) (Continued)

.6     Recertification of All Households (Continued)

.61     General Requirements (Continued)

(i)     CWD Action on Untimely Applications for Recertification (Continued)

(4)     Any applications not submitted in a timely manner shall be treated as an application for initial certification. For nonmonthly reporting households who submit applications within 30 days after the certification period expires, previously verified income ~~or actual utility expenses~~ need not be verified if the source has not changed and the amount has not changed by more than \$25.

.63 (Continued)

.631     The following verification requirements shall apply at recertification:

(a)     The CWD shall verify: A change in income ~~or actual utility expenses~~ if the source has changed or the amount has changed by more than \$25; previously unreported medical expenses and total recurring medical expenses which have changed by more than \$25; a change in the legal obligation to pay child support or an increase in the amount of child support paid.

- (b) The CWD shall not verify the following: income if the source is unchanged and the amount has changed by \$25 or less; changes of \$25 or less in total medical expenses ~~or actual utility expenses~~; or decreases in the amount of child support paid. However, any questionable information related to the above expenses which is incomplete, inaccurate, inconsistent, or outdated shall be verified. (Continued)

Authority cited: Sections 10553, 10554, 10604, 11265.1, .2, and .3, 11369, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11265.1, .2, and .3, 18901.6, 18904, and 18910, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 271.2; proposed 7 CFR 273.2(f)(1)(xii) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, (f)(8)(i); (f) (8)(i)(A) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; (f)(8)(ii), (h), and (h)(1)(i)(D), 7 CFR 273.2(j)(3) and (4); 7 CFR 273.8(b); 7 CFR 273.9(d)(6)(iii)(F), 7 CFR 273.10(d)(4), (f), (g)(1)(i) and (ii); 7 CFR 273.12(a)(1)(i)(A), (a)(1)(i)(B), and (a)(1)(i)(C)(2); proposed 7 CFR 273.12(a)(1)(vi) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, and (c); 7 CFR 273.12(e)(1), (e)(2), and (e)(4); 7 CFR 273.13(a)(2); 7 CFR 273.13(b)(1); 7 CFR 273.14; 7 CFR 273.14(b)(3) and (e); 7 CFR 273.18(e)(6)(ii); 7 CFR 273.21(e)(1), (f)(1)(iii), (f)(1)(iv)(B), (f)(2)(v), (h)(2)(iv), proposed (h)(2)(ix) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, (h)(3)(ii), (i), (j), (j)(1)(vi), (j)(1)(vii)(A) and (r), (j)(2)(iii), (j)(3)(ii), (j)(3)(iii)(B), (j)(3)(iii)(C), and proposed (j)(3)(iii)(E) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; 7 CFR 274.10; Public Law (P.L.) 100-435, Section 351, P.L. 101-624, and P.L. 103-66; Section 1717, [7 U.S.C. 2014(e)]; 7 U.S.C. 2014(d)(7), 2014(e)(6)(C)(iii), 2017(c)(2)(B) and 2020(s); U.S.D.A. Food and Consumer Services, Administrative Notices 94-39 and 97-50; P.L. 104-193, Sections 801, 807 and 827 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); Federal Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; Federal Administrative Notice 97-99, dated August 12, 1997; ~~and~~ United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) Administrative Notice (AN) 03-23, dated May 1, 2003; and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171).

Amend Section 63-505.311, .44, and .517 to read:

63-505 HOUSEHOLD RESPONSIBILITIES (Continued)

63-505

.3 (Continued)

(MR) Reported Information for Monthly Reporting Households (Continued)

(QR) Reported Information for QR Households

Households shall report on a quarterly basis, the following information about the household.

.31 (Continued)

.311 Households need not report the receipt or amount of any PA, FC, GA, RCA, or ECA ~~or child/spousal support disregard~~ payments paid by the CWD from which the household is receiving food stamp benefits.

.4 (Continued)

.44 (Continued)

(~~e~~) ~~Utility costs, if the household is claiming actual expenses, when first allowed as a deduction and when the household moves;~~

(~~f~~) (Continued)

(~~g~~) (Continued)

(~~h~~) (Continued)

(~~i~~) (Continued)

.5 (Continued)

.51 Household Responsibility to Report (Continued)

.517 A change in the amount of child support payments made to a nonhousehold member as specified in Section 63-502.37 .2(p), and/or a change in the legal obligation to pay child support. (Continued)

Authority cited: Sections 10553, 10554, 10604, 11265.1, .2 and .3, 11369, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 10830, 11265.1, .2, and .3, 18904, and 18910, Welfare and Institutions Code; 7 CFR 272.4(f); 7 CFR 273.2(j)(3) and (4); 7 CFR 273.10(d)(4); 7 CFR 273.11(a)(2)(iii); 7 CFR 273.12, (a)(1)(i), (a)(1)(i)(A), (a)(1)(i)(B), (a)(1)(i)(C)(2), and proposed .12(a)(1)(vi) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; 7 CFR 273.2(d); proposed 7 CFR 273.2(f)(1)(xii) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; 7 CFR 273.21(b), (b)(4), (f)(2)(v), (h)(2)(iv), proposed (h)(2)(ix) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, (h)(3), and (i); 7 CFR 273.12(a)(1)(vii); 7 CFR 273.24(a)(1)(i) and (b)(7); P.L. 100-435, Section 351; P.L. 101-624, Section 1717 [7 U.S.C. 2014(e)] and Section 1723 [7 U.S.C. 2015(c)(1)(A)]; P.L. 102-237, Section 908 [7 U.S.C. 2016(h)(1)]; 7 U.S.C. 2014(d)(6), (e)(6)(C)(iii); Food and Consumer Services Administrative Notice 96-13, dated December 7, 1995; United States Department of Agriculture, Food and Nutrition Service Administrative Notice 03-23, dated May 1, 2003; Letter from Food and Consumer Services to Fred Schack, dated March 25, 1996; Food Stamp Act of 1977; ~~and~~ Federal Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171).

Amend Section 63-508.45 to read:

63-508 QUARTERLY REPORTING (Continued)

63-508

.4 (Continued)

.45 (Continued)

~~.451 For child/spousal disregard payments, the agency record shall be the verification.~~

Authority cited: Sections 10554, 11265.1, .2, .3, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11265.1, .2, and .3, 18904, and 18910, Welfare and Institutions Code; ~~and~~ Food and Nutrition Service Quarterly Reporting waiver approval dated April 1, 2003; 7 U.S.C. 2014(d)(6); and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171).

Amend Section 63-509(a)(3)(C) to read:

63-509 INCOME ELIGIBILITY AND BENEFIT CALCULATION  
FOR QUARTERLY REPORTING (Continued)

63-509

(a) Income Eligibility and Grant Calculation for Quarterly Reporting Households (Continued)

(3) Reasonably Anticipated Medical, Child Support and Child Care Expenses..(Continued)

(C) Utility Costs

~~Utility costs~~ Entitlement to the SUA, LUA, or telephone allowance shall be determined at application and at recertification and shall remain in effect ~~at the same fixed amount~~ during the certification period ~~per Section 63-502.363.~~ ~~, with the exception of households entitled to the SUA. Households that have elected the SUA at initial application, recertification or when a household moves may switch to actual utility expenses per Section 63-502.363(5)(c).~~

- ~~1. Households that switch utilities mid quarter shall have their benefits supplemented if the result of the utility change would increase benefits. In no event shall benefits be decreased mid quarter for utility changes elected by the household.~~
- ~~2. A "NO Change NOA" shall be sent to the household with a reminder to report the new utility election on the next QR 7 if the utility election would cause benefits to decrease mid quarter.~~
- ~~3. Anticipated actual utility amounts shall be averaged over a 12 month period and the resultant monthly amount shall remain fixed until there is another utility change at recertification or when the household moves.~~
  - ~~a. The CWD shall verify, at county option, a household's utility expenses if the household requests to claim expenses in excess of the SUA and the expense would actually result in a deduction.~~

(4) Income Averaging Over the Quarter (Continued)

Authority cited: Sections 10553, 10554, 11265, 18901.3, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11265.1, .2, and .3, 18901.3, 18904, and 18910, Welfare and Institutions Code; ~~and~~ Federal Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; 7 U.S.C. 2014(e)(6)(C)(iii); and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171).

# NOTICE TO ALL FOOD STAMP RECIPIENTS

**As of October 1, 2006, the following types of money will no longer count when figuring food stamp benefits:**

- \$50 per month of child/spousal support received
- Earned income of a child under 19 years
- Income and incentives earned by a child 16 years or older in an Independent Living Program
- Relocation money paid for redevelopment
- Money paid from Victims of Crimes Program
- Earned income and all payments to a child in Job Training Partnership Act programs
- A contribution from persons or organizations used for a specific need
- Department of Rehabilitation Training Allowances
- Households can now have up to \$5,000 in restricted accounts for the purpose of saving for education, purchasing a home or for the start-up of a small business

**By not counting the above income or savings, households will get more food stamp benefits.**

Two new deductions will now be available: (1) a Limited Utility Allowance (LUA) of \$75 if your household does not incur costs for heating and cooling, but do have costs for water, sewer or garbage; and (2) a Telephone Utility Allowance (TUA) of \$20 if you only have a telephone or equal cost used for talking to other people.

Instead of getting actual utility costs as a deduction, a Standard Utility Allowance (SUA) of \$271 per month will be given as a deduction for utility costs. The change to the SUA from actual utility costs may cause benefits to decrease by a small amount, depending on what other housing costs the household has.

**You will get a separate notice if your food stamps change for other reasons.**

If you think we made a mistake in figuring your October food stamps due to the new SUA you may ask for a state hearing, ***within 90 days of when you got this letter*** by writing to:

or you may call toll free: 1-800-952-5253. If you are deaf and use TDD, call 1-800-952-8349. When you ask for a state hearing, you must tell us why you think we made a mistake. You can speak for yourself at the hearing or you can have a friend, attorney, or other person speak for you, but you must get these people to help you. You may ask for free legal aid at a legal aid office in your area.

## AVISO PARA TODAS LAS PERSONAS QUE RECIBEN ESTAMPILLAS PARA COMIDA

**A partir del 1º de octubre de 2006, ya no se contarán las siguientes clases de dinero cuando se calculen los beneficios de estampillas para comida:**

- \$50 al mes recibidos por mantenimiento de niños/esposa(o)
- ingresos ganados de un niño menor de 19 años de edad
- ingresos e incentivos ganados por un niño de 16 años de edad o más en un Programa de Vida Independiente
- dinero pagado por mudarse a causa de una reurbanización
- dinero pagado bajo el Programa para las Víctimas de Crímenes
- ingresos ganados y todos los pagos que se den a un niño que esté participando en programas bajo el Decreto sobre la Participación en Entrenamiento para Empleo
- una contribución de personas u organizaciones cuando se use para una necesidad específica
- asignaciones para entrenamiento provenientes del Departamento de Rehabilitación
- hasta \$5,000 en cuentas limitadas que un grupo para fines de estampillas para comida (grupo) puede tener ahora para propósitos de ahorrar dinero para la educación, comprar una casa, o empezar un pequeño negocio

En vez de recibir una deducción por gastos verdaderos de servicios públicos y municipales, se dará una deducción de \$271 al mes por dichos gastos como la cantidad normal permitida para servicios públicos y municipales (SUA). Es posible que al cambiar de los gastos verdaderos de servicios públicos y municipales a la SUA se disminuyan un poco los beneficios de estampillas para comida, dependiendo de qué otros gastos de vivienda el grupo tenga.

**Usted recibirá una notificación por separado si sus beneficios de estampillas para comida cambian por otras razones.**

Si usted piensa que hemos cometido un error al calcular la cantidad de sus estampillas para comida para el mes de octubre a causa de la nueva SUA, puede pedir una audiencia con el Estado, ***antes de que pasen 90 días a partir de la fecha en que usted recibió esta carta***, escribiendo a:

**Al no contar los ingresos ni ahorros mencionados antes, los grupos recibirán más beneficios de estampillas para comida.**

Ahora habrá a la disposición dos nuevas deducciones: (1) la cantidad limitada permitida para servicios públicos y municipales (LUA) de \$75 si su grupo no tiene gastos de calefacción ni aire acondicionado pero sí tiene gastos de agua, alcantarillado, o basura; y (2) la cantidad permitida para el servicio público y municipal telefónico (TUA) de \$20 si usted solamente tiene un teléfono, u otro medio que le cueste lo mismo, que usa para hablar con otras personas.

o puede llamar gratuitamente al 1-800-952-5253. Si usted tiene problemas de sordera y usa TDD\*, llame al 1-800-952-8349. Cuando pide una audiencia con el Estado, tiene que decirnos por qué usted piensa que hemos cometido un error. En la audiencia, puede hablar a nombre de sí mismo, o un amigo, abogado, u otra persona puede hablar a nombre de usted, pero usted mismo tiene que pedirles que le ayuden. Puede pedir ayuda legal gratuita de una oficina de asesoramiento legal en su área.



## **ATTACHMENT C**

### **FORMS CHANGED DUE TO THE IMPLEMENTATION OF THE FARM SECURITY AND RURAL INVESTMENT ACT OF 2002**

The following are forms identified as needing changes under the options selected as a result of the Farm Security and Rural Investment Act of 2002. Changes on each form are listed in detail.

#### **FS 22 QR – Applying for Food Stamp Benefits**

- On the top of page 2, second column, the title “Utilities” is changed to “Utility Allowances”.
- The original text has been deleted and replaced with new text.

See below for a comparison of change from the old version to the new format:

<b>Changed from :</b>	<b>Changed to:</b>
<b>Utilities</b>	<b>Utility Allowances</b>
Your utility expenses (meaning things like gas, electricity, water, sewer, garbage, and telephone expense) may be deducted from your income to help you get more food stamp benefits. When you apply, you may have a choice between using your actual utility expenses OR using the Standard Utility Allowance (SUA)	You will be allowed a Standard Utility Allowance (SUA) deduction if you have heating and cooling costs. If you have utility costs other than heating or cooling, such as water, sewer, and garbage, you will be given a Limited Utility Allowance (LUA) deduction. If you only have a telephone cost, you will be given a Telephone Utility Allowance (TUA) deduction. The SUA, LUA, and TUA deductions are used to reduce your income, which helps you get more food stamp benefits.
The SUA is a single, fixed utility deduction that you may choose if you pay for heating or cooling separate from your rent or mortgage. If you don't have separate heating and cooling costs, you must use your actual utility expenses. The SUA will probably be higher than your actual utility expenses, which means that using the SUA may help you get more food stamp benefits.	

#### **DFA 285 A2 – Statement of Facts**

- On page 5, in the “County Use Section” for utility verification, all reference to client election of actual SUA is deleted.

See below for the new format.

See below or the comparison of change from the old version to the new format:

Changed from:	Changed to:
Utilities Verified? <input type="checkbox"/> YES <input type="checkbox"/> NO Heating or Cooling Verified? <input type="checkbox"/> YES <input type="checkbox"/> NO Client elects? <input type="checkbox"/> Actual <input type="checkbox"/> SUA If actual Total Utilities \$ _____ SUA prorated? <input type="checkbox"/> YES <input type="checkbox"/> NO	Utilities Verified? <input type="checkbox"/> YES <input type="checkbox"/> NO Heating or Cooling Verified? <input type="checkbox"/> YES <input type="checkbox"/> NO Utility Allowance <input type="checkbox"/> SUA <input type="checkbox"/> LUA <input type="checkbox"/> TUA SUA, LUA, TUA Prorated? <input type="checkbox"/> YES <input type="checkbox"/> NO

### DFA 285B – Food Stamp Budget Worksheet

- On the top of the first page, the title of the form is changed to “Food Stamp Budget Worksheet/Change Reporting Households”.
- On the first page, the “Child Support Deduction” (Section H) is deleted.
- Section “I” becomes section “H”.
- The new line H2 is changed from “Total Utility Costs (Actual or SUA) to “Total Utility Allowance”.
- The new line H4 is changed from “Allowable Shelter Costs (50% of H2) to read, “Allowable Shelter costs (50% of G5).
- The new line H5 is changed from “Excess Shelter Costs (I3 – I4) to read, “Excess Shelter Costs (H3 – H4)
- The new line H7 is changed from “Allowable Shelter Deduction (Less of I5 or I6) to read, “Allowable Shelter Deduction (Less of H5 or H6).
- The old section “J” is changed to section “I”.
- The title in old section “J” (now I), is changed from “Net Monthly Income (H2 – I7) to read, “Net Monthly Income (G5 – H7).

- The old section “K” is changed to section “J” but the title remains the same.
- On page two, the section “L” becomes section “K”, “M” becomes “L” and “N” becomes “M”. All designations in each section have been changed, e.g., “Subtotal (L1 + L2a + L2b + L2c) is now (K1 + K2a + K2b + K2c).

### **DFA 285-D – Food Stamp Budget Worksheet**

- On the first page, the “Child Support Deduction” (Section F) is deleted.
- Section “G” becomes section “F”.
- The new line F2 is changed from “Total Utility Costs (Actual or SUA) to “Total Utility Allowance”.
- The new line F5 is changed from “Excess Shelter Costs G3 - G4” to read “Excess Shelter Costs F3 – F4”.
- The old section “H” is changed to section “G”.
- The title in old section “H” (now “G”), is changed from “Net Monthly Income (F2 – G5)” to read “Net Monthly Income (E6 – F5)”.
- The old section “I” is changed to section “H” but the title remains the same.
- In the old section “I” (now “H”), line 3 remains unchanged.
- On page 2, Section “J” becomes Section “I”, “K” becomes “J”, and “L” becomes “K”. All designations in each section have been changed, e.g., “Subtotal (J1 + J2a + J2b)” is now “(I1 + I2a + I2b)”.

### **DFA 377.5 – Food Stamp Household Change Report**

- On page 2, section E2 is changed from “If you claim actual utility costs, enter the amount of each utility cost you have.” to read “If you have utility costs, check the box for each utility cost you have.”
- The statement following the above sentence, “If you claim the standard utility allowance (SUA), list the amount you pay for gas, electricity or other heating fuel.” is deleted.

## SAWS 2 – Statement of Facts for Cash Aid, Food Stamps, and Medi-Cal/ 34-County Medical Services Program (CMSP)

- On page 9, in section 35, delete the designation “FS”. Only “CA” and “MC” will remain.
- On page 10, in the “County Use” section for utility verification, all reference to client election of actual SUA is deleted.

See below for the comparison of change from the old version to the new format:

Changed from:	Changed to:
<p>Client elects</p> <p><input type="checkbox"/> Actual If Actual, Total Utilities \$ _____</p> <p><input type="checkbox"/> SUA SUA prorated: <input type="checkbox"/> YES <input type="checkbox"/> NO</p>	<p>Utility Allowance</p> <p><input type="checkbox"/> SUA <input type="checkbox"/> LUA <input type="checkbox"/> TUA SUA, LUA, TUA Prorated? <input type="checkbox"/> YES <input type="checkbox"/> NO</p>

## SAWS 2A QR – Rights, Responsibilities, and Other Important Information

- On the top of page 8, second column, under “Food Stamp Only”, the title “Standard Utility Allowance (SUA)” is changed to “Utility Allowances”.
- The original text has been deleted and replaced with new text.

See below for the comparison of change from the old version to the new format:

Changed from:	Changed to:
<p>FOOD STAMP ONLY Standard Utility Allowance (SUA)</p> <p>If you are billed for heating and/or cooling costs that are not included in your rent or mortgage payment, you may be eligible for the Standard utility Allowance (SUA). The SUA is one deduction for all of your eligible utility costs. If your utility bills are more than the SUA, you may switch between actual and the SUA at recertification. If you have other utility costs but your heating or cooling costs are included in your rent, your benefits will be figured on your actual utility costs. Ask the county to see if you are eligible for the SUA. You may still get food stamps even if your cash aid is denied, changed, or stopped. You will get another notice about your food stamps if there is any change.</p>	<p>FOOD STAMP ONLY Utility Allowances</p> <p>You will be allowed a Standard utility Allowance (SUA) deduction if you have heating and cooling costs. If you have utility costs other than heating or cooling, such as water, sewer, and garbage, you will be given a Limited utility Allowance (LUA) deduction. If you only have a telephone cost, you will be given a Telephone Utility Allowance (TUA) deduction. The SUA, LUA, and TUA are used to reduce your income, which helps you get more benefits.</p>

### QR 3 – Mid-Quarter Status Report

- On the first page, at the bottom, in the first column, a new line has been added under the line "☐ My rent amount is \$\_\_\_\_\_ per month".
- The new line reads "☐ I share the rent (explain)".
- In the second column, a new line has been added under the line "☐ My utilities are \$\_\_\_\_\_ per month".
- The new section reads "I have: ☐ Heating ☐ Cooling  
☐ Water ☐ Sewer  
☐ Garbage ☐ Telephone  
☐ Other

### QR 285B – Food Stamp Budget Worksheet

- On the first page, in the first column, under "Part 3 – Net Income", section F4 "Child Support Deduction" is deleted.
- The old line "F5" is changed to line "F4". The title remains the same.
- The old line "F6" is changed to line "F5".
- The title in old line "F6" (now "F5") is changed from "Total Deductions (F1 + F2 + F3 + F4 + F5)" to read "Total Deductions (F1 + F2 + F3 + F4)".
- The title in line G2 is changed from "Total Deductions (F6)" to read "Total Deductions (F5)".
- The title in line G3 is changed from "Adjusted Net Income (D4 – F6) or (G1 - G2)" to read "Adjusted Net Income (D4 – F5) or (G1 – G2)".
- The title in line H2 is changed from "Total Utility costs (Actual or SUA)" to read "Total Utility Allowance".
- In the second column, titled "Documentation (county Use)" all reference to actual utility costs are deleted. New boxes are inserted for LUA and TUA.

See below for the comparison of change from the old version to the new format:

Changed from:	Changed to:
<div><input type="checkbox"/> Utilities</div> <div><div><input type="checkbox"/> Actual (Averaged over cert. period)</div><div><input type="checkbox"/> SUA</div></div>	<div><input type="checkbox"/> Utilities</div> <div><div><div><input type="checkbox"/> SUA</div><div><input type="checkbox"/> Prorated</div></div><div><div><input type="checkbox"/> LUA</div><div><input type="checkbox"/> Prorated</div></div><div><div><input type="checkbox"/> TUA</div><div><input type="checkbox"/> Prorated</div></div></div>

## IMPORTANT

**As of October 1, 2006, the following types of money will no longer count when figuring food stamp benefits:**

### **New Deductions**

Two new deductions will now be available: (1) a Limited Utility Allowance (LUA) of \$75 if your household does not incur costs for heating and cooling, but do have costs for water, sewer or garbage; and (2) a Telephone Utility Allowance (TUA) of \$20 if you only have a telephone or equal cost used for talking to other people.

Instead of getting actual utility costs as a deduction, a Standard Utility Allowance (SUA) of \$271 per month will be given as a deduction for utility costs. The change to the SUA from actual utility costs may cause benefits to decrease by a small amount, depending on what other housing costs the household has.

**You will get a separate notice if your food stamps change for other reasons.**

## IMPORTANTE

**A partir del 1º de octubre de 2006, ya no se contarán las siguientes clases de dinero cuando se calculen los beneficios de estampillas para comida:**

### **Nuevas deducciones**

Ahora habrá a la disposición dos nuevas deducciones: (1) la cantidad limitada permitida para servicios públicos y municipales (LUA) de \$75 si su grupo no tiene gastos de calefacción ni aire acondicionado pero sí tiene gastos de agua, alcantarillado, o basura; y (2) la cantidad permitida para el servicio público y municipal telefónico (TUA) de \$20 si usted solamente tiene un teléfono, u otro medio que le cueste lo mismo, que usa para hablar con otras personas.

En vez de recibir una deducción por gastos verdaderos de servicios públicos y municipales, se dará una deducción de \$271 al mes por dichos gastos como la cantidad normal permitida para servicios públicos y municipales (SUA). Es posible que al cambiar de los gastos verdaderos de servicios públicos y municipales a la SUA se disminuyan un poco los beneficios de estampillas para comida, dependiendo de qué otros gastos de vivienda el grupo tenga.

**Usted recibirá una notificación por separado si sus beneficios de estampillas para comida cambian por otras razones.**